

# CONTRACT

108 II

This agreement is entered into as of the 3 day of April, 2006 by and between Indiana Assessment Service, (Contractor) with its principal address located at 1611 Main St., Rochester, IN 46975, and Marshall County, (Client) with its principal address located at 112 W. Jefferson St., County Building Room 207, Plymouth, IN 46563.

In consideration of Client retaining Contractor to provide the 2007 annual assessment analysis study which compares the 2005 and 2006 valid sales of real property to the valuation conclusions made during the 2002 general reassessment and recommend applicable revisions and assessment trending factors following the guidelines as established by the Department of Local Government Finance under I.C. 6-1.1-4-4.5 it is agreed as follows:

- (1) **TERMS OF AGREEMENT:** - Contractor will provide Client with the 2007 annual assessment analysis study of real property for the March 1, 2007 assessment date including; a complete review of the 2002 assessment support documentation which established the 2002 land valuation base rates, which established the 2002 neighborhood boundaries, and established the 2002 neighborhood factors to determine whether or not that previous support documentation can be reasonably applied without change for the March 1, 2007 tax year or to either recommend necessary changes to the pre-established 2002 assessment processes or to determine the appropriate trending factor reflecting January 1, 2006 market conditions/valuation by analyzing sales of property from calendar year 2005 and 2006.

The term of this contractual agreement shall be March 1, 2006 to March 1, 2007.

For contractual services under this contractual agreement, the following fee shall apply: \$51,680.00\* (fifty one thousand six hundred eighty dollars and zero cents). Calculated in two separate ways first calculated at \$1.52 (one dollar and fifty two cents) per parcel time's 34,000 (thirty four thousand) parcels and second calculated at \$574.00 (five hundred seventy four dollars and zero cents) per working day times 90 (ninety) working days. Any additional parcels over the stated contract amount will be charged at \$1.52 (one dollar and fifty two cents) per parcel and any additional working days will be charged at \$574.00 (five hundred seventy four dollars and zero cents) per working day. Upon termination of this agreement, payments under this paragraph shall cease; provided, however, that Contractor shall be entitled to payments for periods or partial periods that occurred prior to the date of termination and for which Contractor has not yet been paid.

*\*NOTE: This fee base of \$51,680.00 (Fifty One Thousand Six Hundred Eighty Dollars) is billed in 10 (ten) equal monthly payments. On the first day of each month, Contractor will submit a monthly billing invoice and progress report to the Client. The amount stipulated on the monthly billing invoice will be due within 45 (forty-five) days from the date of the billing invoice. Additional fees over the base fee will be billed in the same billing invoice. If contractual services are completed prior to the end of the stipulated contract period, Contractor will submit final billing invoice to include the entire sum of the remaining fees due the Contractor.*

- (2) **DESCRIPTION OF SERVICE:** - The Client hereby retains Contractor, under the provisions of this contractual agreement, to perform the following service:

2a) Conduct a complete review of the 2002 assessment support documentation which established the 2002 land valuation base rates to determine if those base rates either represent current market valuations or need revised to reflect the current valuation date of January 1, 2006. The review will compare the sales for calendar years 2005 and 2006 to those sales used to establish the 2002 land valuations. Changes, if determined, will be made by the Contractor in report form indicating the effected geographic area, the newly determined land value base rate and any other change deemed appropriate. Support documentation will also be provided showing cause for such change.

2b) Conduct a complete review of the 2002 assessment support documentation which established the 2002 neighborhood boundaries, to determine if those neighborhood boundaries either represent current market neighborhoods or need revised to reflect the current valuation changes including stratification of the property type sets within the neighborhood. The review will compare the sales for calendar years 2005 and 2006 to those sales used to establish the 2002 valuation neighborhoods. Changes, if determined, will be made by the Contractor in report form indicating the effected neighborhood geographic area, the newly determined neighborhood boundary or property type sets located within the neighborhood and any other change deemed appropriate. Support documentation will also be provided showing cause for such change.

2c) Conduct a complete review of the 2002 assessment support documentation which established the 2002 neighborhood factors, to determine if those neighborhood factors either represent current market valuations or if trending factors need established to reflect the current valuation changes including stratification trending factors for property type sets within the neighborhood. The review will compare the sales for calendar years 2005 and 2006 to those sales used to establish the 2002 neighborhood factors. Changes, if determined, will be made by the Contractor in report form indicating the effected neighborhood geographic area, the stratification of the neighborhood into property type sets, the newly determined trending factor for the neighborhood or newly determined trending factor for the neighborhood property type sets and any other change deemed appropriate. Support documentation will also be provided showing cause for such change.

2d) Contractor will complete a desk audit of the sales from 2005 and 2006 to determine if the sales are arms length transactions typical of the neighborhood. Valid sales will be used to determine if changes to land value base rates or changes to neighborhood boundaries or establishment of trending factors are needed.

2e) Upon completion of contractual service, Contractor will turn the following applicable information over to the County Assessor:

- All sales disclosure forms and matching assessment record cards used.
- Maps developed for March 1, 2002 reassessment used by Contractor from Client showing updated sale prices and sale dates.
- Maps developed for March 1, 2002 reassessment showing revised land value base rates.
- Maps developed for March 1, 2002 reassessment showing revised neighborhood boundaries.
- Written findings and sales disclosure forms used as support for land value base rates with March 1, 2007 changes.
- Written findings used as support for neighborhoods boundaries and property sub-sets with March 1, 2007 changes.
- Determined trending factors and support documentation for neighborhoods or property type groups requiring application of a trending factor for the March 1, 2007 assessment date.

Any other information or property of the Clients used by the Contractor to perform service under this contractual agreement.

(3) **SUPPORT SERVICE** – The Client agrees to provide the following support service to the Contractor:

3a) One complete set of plat maps for all parcels of real estate located in the county, used during the March 1, 2002 reassessment period, showing neighborhood delineations and sale prices and sale dates and land value base rates. Client may elect to update maps by posting sale prices and sale dates using sales from 2005 and 2006. (Maps should show lot dimensions and acreage size/dimensions for each parcel).

3b) Provide any other information/documentation used in developing land value base rates and neighborhood delineations, and neighborhood factors, for the 2002 reassessment.

3c) County must enter sales from 2005 and 2006 into either the county property assessment software system or the Contractors Trending Database software and provide that data in usable format(s) to Contractor by no later than June 1, 2006.

3d) County must provide one copy of the sales disclosure form and one copy of the matching property record card for the date of sale. The matching property record card must include the assessed valuations of land and improvements for that sale date. County must provide a photograph of the main improvement if available.

3e) Provide any information deemed necessary from the county property assessment software system.

3f) Provide any other records and any other information as deemed necessary.

(4) **DIRECTION OF THIS AGREEMENT:** - The entire contractual agreement shall be under the direction of the County Assessor, or their designee, as contract representative, and as such shall have the right of final approval of all personnel, procedures, and related forms.

(5) **CONTRACT REPORTS AND MONITERING:** - The Contractor shall be required to provide written progress reports to the Contract Representative in a form reasonably prescribed by the Assessors. The reports must include the status of the work being done. The Contract Representative may require additional information be included in the reports. The Contractor shall submit the reports to the Contract Representative on or before the 30<sup>th</sup> day of the month. The Contract Representative may at all times inspect the records of the Contractor to verify the progress and evaluate the quality of work performed. The Contract Representative may accompany the Contractor's personnel in their assigned duties to assure the Contractor's adherence with contractual specifications and approved procedures. The Contractor shall extend its full cooperation to the Contract Representative by providing access to all program related records, and by making personnel available upon request for the purpose of monitoring quality, performance and progress.

(6) **PENALTIES:** - Payments due under this Contract shall be reduced by the amount of \$50.00 (fifty dollars and zero cents) per business day, for each business day Contractor fails to complete the contractual services. The specified date for completion of contractual services under the contractual agreement is March 1, 2007.

(7) **ENTRY AND WORKSPACE:** - The Client agrees to supply temporary workspace area (free of charge) to Contractor's agents. The temporary workspace area shall be located within the local assessing official's office. Temporary workspace area is provided to Contractor on a short-term basis, to the extent needed, to fulfill any obligations for the Client.

(8) **TERMS AND CONDITIONS:** - It is understood that Contractor shall, at all times, have complete control over the services of its personnel while working under this contractual agreement, and expressly reserves the right to control the manner, means and details to ensure performance of services, as well as the ends to be accomplished. It is also understood that Client shall not solicit any Contractor agent(s) for employment. If Client fails to comply with this contractual provision, and hires the Contractor's agent as Client's employee, the Client agrees to pay Contractor the entire gross annual amount of that Contractor employee's total annual gross salary\* as compensation to Contractor for employee loss.

*\*NOTE: Total annual gross salary will be determined using Contractor's current record of gross annual salary for that contractor employee.*

(9) **CONFIDENTIAL INFORMATION:** - The parties have determined that certain needed information from the Client to the Contractor is confidential in nature. The Client, upon marking the needed information as "Confidential", limits the use of that information by the Contractor. Contractor may use "Confidential" information of Client only for the purpose of this contractual agreement, and shall protect such "Confidential" information from disclosure to others, using the same degree of care used to protect its own proprietary information of like importance, but in any case using no less than a reasonable degree of care. Contractor may disclose "Confidential" information received hereunder to Contractor's attorney. No other disclosure of "Confidential" information is permitted. Client assumes all risks, known or unknown, incident to Contractor use of "Confidential" information, and Contractor shall have no liability of any kind to Client or any third party arising out of such use.

(10) **DEFAULT:** - If Client shall fail to pay payment when due, or perform any term hereof, after not less than seven (7) days written notice of such default given in the manner required by law, the Contractor, at its option, may terminate all services described within this contract, unless Client, within said time, shall cure such default.

In the event of default of payment by Client, Contractor may elect to (a) continue the contract in effect and enforce all its rights and remedies hereunder, including the right to recover the payment(s) as they become due, or (b) at any time terminate all of the Client's rights hereunder and recover from the Client all damages they may incur by reason of the breach of the contract, the cost of recovering all future unpaid contractual payments, the Contractor's loss of income to cover the amount of time spent to enforce this provision, and the Contractor's reasonable incurred attorney fees.

In the event of default of this agreement by either Contractor or Client, the party in default shall be responsible for reasonably incurred attorney fees.

(11) **WAIVER:** - Failure of Contractor to enforce any term hereof shall not be deemed a waiver, nor shall any acceptance of a partial payment be deemed a waiver of the Contractor's right to the full amount thereof.

(12) **SEVERABILITY:** - If any provision or clause of this contract or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the contract, which can be given effect without the invalid provision of application, and to this end the provisions of this contract are declared to be severable.

(13) **ATTORNEY FEES:** - In any legal action brought by the Contractor or the Client to enforce the terms hereof, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

(14) **GOVERNING LAW; JURISDICTION:** - This agreement shall be construed and enforced in accordance with the laws of the State of Indiana. Should it be necessary to institute an action to enforce any of the terms contained in this agreement, Client agrees said action shall and must be instituted in Fulton County, State of Indiana.

(15) **TERMINATION OF THIS ENTIRE AGREEMENT:** - Termination of this entire agreement may be made by either party, with 30 days written notice. Written notice must be given by certified mail. The remaining fee, which is due the Contractor from the Client, is to be paid in full on the date of contract termination, unless termination is for cause, in which case the remainder of the contractual fee will not be due.

(16) **NOTICES:** - Any notice which either party may give, or is required to give, may be given by mailing the same, postage prepaid, to the Client, at the address shown above, or to the Contractor, at the address shown above, or at such other places as may be designated by the parties from time to time.

(17) **INDEPENDENT CONTRACTOR AGREEMENT:** - It is understood that the Contractor executes this agreement as an independent contractor and is not an employee of the Client. Contractor waives any rights to recovery from Client for any injuries that Contractor (and/or Contractor's employees) may sustain while performing services under this contractual agreement and that are a result of the negligence of Contractor or Contractor's employees.

(18) **RETURN OF RECORDS:** - Upon completion or termination of this contractual agreement, Contractor shall return all records, notes, data, and equipment of any nature that are Client's property or related to Client's business.

(19) **FORMAT AND ACCESS OF CONTRACTOR RECORDS:** - The contractor shall generate complete parcel characteristics and parcel assessment data in a manner and format acceptable to the legislative services agency and the department of local government finance. Contractor shall create the data in a usable and readable and transferable excel format in the form required by the legislative services agency and the division of data analysis of the department of local government finance. The parties agree that both the legislative services agency and the department of local government finance have unrestricted access to the contractor's work product under the contract.

(20) **ENTIRE AGREEMENT:** - The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following attachment(s) and rider(s), if any, have been made a part of this agreement before the parties' execution hereof: \_\_\_\_\_

Dated this the 3rd day of April, 2006.

Board of Commissioners of the County of Marshall

Print Client Name

112 W. Jefferson St., County Building, Room 207

Client Principal Address

Plymouth, IN 46563

City/State/ZIP Code

574-935-8525

Client Telephone Number

Kenneth D. Brown  
County Commissioner Signature

Paul D. Child  
County Commissioner Signature

Alan J. Fritz  
County Commissioner Signature

Attest:

Jan A. Lurvey

Edward J. Bisch for Indiana Assessment Service

Print Contractor Name

Edward J. Bisch  
Contractor Signature

President

Contractor Title

1611 Main St.

Contractor Principal Address

Rochester, IN 46975-2621

City/State/ZIP Code

574-223-4777

Contractor Telephone